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SPINNAKER INSURANCE COMPANY
and COTERIE INSURANCE AGENCY

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

SEO LLC, a Nevada limited liability
company,

Plaintiff,

vs.

SPINNAKER INSURANCE COMPANY, a
foreign corporation doing business in the
State of Nevada; COTERIE INSURANCE
AGENCY, LLC, a Delaware limited
liability company; DOES I through X, and
ABC CORPORATIONS A-Z; inclusive,

Defendants.

CASE NO.:

DEFENDANTS' NOTICE OF REMOVAL

PLEASE TAKE NOTICE that Defendants, Spinnaker Insurance Company ("Spinnaker") and Coterie Insurance Agency, LLC ("Coterie"), (collectively, the "Defendants"), through undersigned counsel and pursuant to 28 U.S.C. §§ 1332, 1441 and 1446, hereby jointly remove the above-captioned matter to this Court from the Eighth Judicial District Court of Clark County, Nevada (the "State Court Action"), stating as follows:

1. The State Court Action was commenced by plaintiff, SEO LLC ("SEO"), with the filing of its Complaint – Jury Demand (the "Complaint") on June 5, 2023 in the Eighth Judicial District Court of Clark County, Nevada (Case No. A-23-871805-C).

2. Spinnaker and Coterie are the only, actual named defendants in this action.

3. Spinnaker was served with a summons and a copy of the Complaint upon its registered agent, Corporation Service Company, on June 21, 2023. Pursuant to 28 U.S.C. §1446(a), a copy of all process, pleadings, and orders served upon Spinnaker in the State Court Action is attached hereto as Exhibit “A.”

4. Coterie was served with a summons and a copy of the Complaint upon its registered agent, Corporation Service Company, on June 16, 2023. Pursuant to 28 U.S.C. §1446(a), a copy of all process, pleadings, and orders served upon Coterie in the State Court Action is attached hereto as Exhibit “B.”

5. The Complaint alleges that Spinnaker and Coterie jointly breached a policy of insurance by failing to pay SEO for all proceeds allegedly due under a Business Owners insurance policy (the “Policy”) procured by SEO from Spinnaker in connection with a claim for loss and/or damage that allegedly occurred on or about January 4, 2023, at SEO’s property located at 5025 S. Fort Apache Rd. 105, Las Vegas, NV 89148-1741 (the “Insured Premises”) as a result of a pipe break in the ceiling. The Complaint further alleges that Spinnaker and Coterie breached the covenant of good faith and fair dealing and also committed statutory bad faith. The Complaint further alleges that Coterie aided and abetted Spinnaker’s alleged, tortious breach of the covenant of good faith and fair dealing. The Complaint consists of four counts: (1) breach of contract against both Defendants; (2) breach of the duty of good faith and fair dealing against both Defendants; (3) statutory bad faith – breach of Nevada’s unfair trade practices against both Defendants; and (4) aiding and abetting Spinnaker’s alleged, tortious breach of the duty of good faith and fair dealing against Coterie only.

JURISDICTION

I. Diversity of Citizenship

6. The Defendants and SEO are citizens of different states for purposes of establishing this Court’s subject matter jurisdiction under 28 U.S.C. § 1332.

7. Spinnaker is an Illinois corporation with its principal place of business in New Jersey. Attached as Exhibit “C” is a true and correct copy of a publicly available record from the website of the Illinois Department of Insurance (www2.illinois.gov/sites/insurance). Also

1 attached as Exhibit “D” is a true and correct copy of a publicly available record from the website
 2 of the Nevada Division of Insurance (<https://doi.nv.gov/>). These records confirm that Spinnaker
 3 is incorporated in Illinois and maintains its principal place of business at 1 Pluckemin Way, Suite
 4 102, Bedminster, NJ 07921.

5 8. Coterie is a limited liability company. “[A]n LLC is a citizen of every state of
 6 which its owners/members are citizens.” *Johnson v. Columbia Props. Anchorage, LP*, 437 F.3d
 7 894, 899 (9th Cir. 2006). Coterie is 100% member owned by Coterie Applications, Inc.
 8 (“Coterie Applications”). Coterie Applications is a Delaware corporation with its principal place
 9 of business in Ohio. Attached as Exhibit “E” is a true and correct copy of a publicly available
 10 record from the website of the Delaware Division of Corporations (<https://corp.delaware.gov/>).
 11 Also attached as Exhibit “F” is a true and correct copy of a publicly available record from the
 12 website of the Ohio Secretary of State (<https://www.ohiosos.gov/businesses/>). These records
 13 confirm that Coterie Applications is incorporated in Delaware and maintains its principal place
 14 of business at 7817 Cooper Road, Suite B, Cincinnati, OH 45242.

15 9. SEO is also a limited liability company. The Complaint does not identify the
 16 members of SEO or their citizenship. However, on December 5, 2023, counsel for Defendants
 17 inquired about the identity and citizenship of SEO’s members. That same day, SEO’s counsel
 18 responded via e-mail by confirming that SEO consists of two members, i.e., Arthur Aghryan and
 19 Edgar Margaryan, and referred Defendants’ counsel to a publicly-available record from the
 20 Nevada Secretary of State, Business Portal. *See* e-mail from P. Leverty to J. Silvestri dated
 21 12/5/23 and the attached record from the Nevada Secretary of State, collectively attached hereto
 22 as composite Exhibit “G.” These documents confirm that Mr. Aghryan and Mr. Margaryan are
 23 domiciled in Nevada. SEO’s counsel also does not dispute that Mr. Aghryan and Mr. Margaryan
 24 are Nevada citizens.

25 10. In light of the above, since Spinnaker is a citizen of the States of Illinois and New
 26 Jersey, Coterie is a citizen of the States of Delaware and Ohio, and SEO is a citizen of the State
 27 of Nevada, complete diversity of citizenship exists under 28 U.S.C. § 1332.

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II. Amount in Controversy

11. The amount in controversy in this action, exclusive of interest and costs, exceeds the jurisdictional amount of \$75,000, as set forth in 28 U.S.C. § 1332.

12. The Complaint does not seek a sum certain. It merely alleges that SEO seeks “damages in excess of \$15,000 and in such amounts as may be proved at trial.” *See* Ex. A, Complaint, p. 18, at “Wherefore” clause. The Complaint further alleges that SEO seeks attorneys’ fees and costs; special and consequential damages; prejudgment and post judgment interest; and punitive damages from Spinnaker and Coterie. *See Id.*

13. However, on December 8, 2023, SEO served its Initial Disclosures Pursuant to NRCP 16.1 in the State Court Action. In its Initial Disclosures, SEO states that it is seeking \$549,643.61 in claimed damages, excluding additional, uncalculated sums for alleged bad faith damages and punitive damages. *See* true and correct copy of Plaintiff’s Initial Disclosures Pursuant, attached hereto as Exhibit “H”, p. 6.

14. In connection with the claimed damages, Defendants have paid SEO \$48,778.64.¹

15. In light of the above, since SEO alleges that it is owed \$549,643.61 in damages under the Policy in this action (in addition to other, uncalculated amounts for bad faith, punitive damages, attorneys’ fees and costs), and Defendants have paid \$48,778.64 of the claimed damages, the amount in controversy plainly exceeds the \$75,000 jurisdictional threshold of this Court.

TIMELINESS OF REMOVAL

16. This Notice of Removal is timely pursuant to 28 U.S.C. § 1446(b)(3) and *Murphy Bros., Inc. v. Michetti Pipe Stringing, Inc.*, 526 U.S. 344 (1999), because it is being filed within thirty (30) days of Defendants’ receipt of correspondence from SEO’s counsel from which Defendants could first ascertain that there exists complete diversity of citizenship between the parties.

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¹ Prior to suit, Defendants also paid SEO an additional \$41,622.72 in connection with the subject fire loss claim.

1 17. Additionally, this Notice of Removal is being filed within one (1) year from the
2 commencement of the State Court Action, June 5, 2023, and therefore meets the timeliness
3 requirement set forth in 28 U.S.C. § 1446(c)(1).

4 18. In sum, because diversity of citizenship exists as between Defendants on the one
5 hand, and SEO on the other, and the amount in controversy exceeds \$75,000, this Court has
6 subject matter jurisdiction over this proceeding pursuant to 28 U.S.C. § 1332.

7 19. The United States District Court for the District of Nevada encompasses the place
8 where the State Court Action is pending. Accordingly, this Court is the proper federal venue for
9 this action.

10 20. No previous application has been made for the relief requested herein.

11 21. Both Defendants consent to the removal of the action to this Court.

12 22. Pursuant to 28 U.S.C. § 1446(d), a copy of this Notice of Removal is being served
13 upon counsel for SEO and a copy is being filed with the Clerk of the Eighth Judicial District
14 Court of Clark County, Nevada.

15 **WHEREFORE**, Defendants, Spinnaker Insurance Company and Coterie Insurance
16 Agency, LLC, respectfully and jointly remove this action from the Eighth Judicial District Court
17 of Clark County, Nevada.

18 DATED this 3rd day of January, 2024.

19 PYATT SILVESTRI

20 /s/ James P. C. Silvestri

21 JAMES P. C. SILVESTRI, ESQ.

22 Nevada Bar No. 3603

23 701 Bridger Ave., Suite 600

24 Las Vegas, NV 89101

25 Attorney for Defendants,

26 SPINNAKER INSURANCE COMPANY
27 and COTERIE INSURANCE AGENCY
28

CERTIFICATE OF SERVICE

I hereby certify that on the 3rd day of January, 2024, I caused a true and correct copy of the foregoing document: **DEFENDANTS' NOTICE OF REMOVAL** to be served electronically, to the following e-service list recipients:

Patrick R. Leverty, Esq.
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